



Foreign-Trade Zones Board

[B-79-2015]

Notification of Proposed Production Activity; BMW Manufacturing Co., LLC, Subzone 38A (Motor Vehicle Body Parts and Lithium-Ion Batteries), Spartanburg, South Carolina

BMW Manufacturing Co., LLC (BMWMC), operator of Subzone 38A, submitted a notification of proposed production activity to the FTZ Board for its facility in Spartanburg, South Carolina. The notification conforming to the requirements of the regulations of the FTZ Board (15 CFR 400.22) was received on October 27, 2015.

BMWMC already has authority to produce passenger sedans, coupes, sport utility vehicles, and related bodies. The current request would add new finished products (stamped body parts, lithium-ion batteries) and foreign-status materials and components to the scope of authority. Pursuant to 15 CFR 400.14(b), additional FTZ authority would be limited to the specific foreign-status materials and components and specific finished products described in the submitted notification (as described below) and subsequently authorized by the FTZ Board.

Production under FTZ procedures could exempt BMWMC from customs duty payments on the foreign status materials and components used in export production. On its domestic sales, BMWMC would be able to choose the duty rates during customs entry procedures that apply to stamped body parts and lithium-ion batteries (duty rates: 2.5% and 3.4%, respectively) for the foreign status materials and components noted below and in the existing scope of authority. Customs duties also could possibly be deferred or reduced on foreign status production equipment.

The materials and components sourced from abroad include: lithium-ion cell modules; polyester fleece vent pads (HTSUS Subheadings 5911.90); water heater units with sensors; trunk lid

spindle drives; dynamic stability/variable damper control devices; engine support/liquid filled mounts; TV video monitors; TV receiver modules assemblies; trunk lid noise suppression filters; night vision modules; and heads up display modules (duty rate ranges from free to 5.0%). Inputs classified within HTSUS Subheading 5911.90 will be admitted to Subzone 38A under privileged foreign status (19 CFR 146.41), thereby precluding inverted tariff benefits on such items.

Public comment is invited from interested parties. Submissions shall be addressed to the FTZ Board's Executive Secretary at the address below. The closing period for their receipt is **[INSERT DATE 40 DAYS AFTER DATE OF PUBLICATION IN THE FEDERAL REGISTER]**.

A copy of the notification will be available for public inspection at the Office of the Executive Secretary, Foreign-Trade Zones Board, Room 21013, U.S. Department of Commerce, 1401 Constitution Avenue, NW, Washington, DC 20230-0002, and in the "Reading Room" section of the FTZ Board's website, which is accessible via www.trade.gov/ftz.

For further information, contact Pierre Duy at Pierre.Duy@trade.gov or (202) 482-1378.

Dated: November 16, 2015.

Andrew McGilvray,
Executive Secretary.

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